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ABSTRACT

This paper evaluates the status of Hispanic women in the United States work force. First, demographic information on age patterns, fertility rates, and educational attainment is reviewed. Then, labor market status is assessed in relation to Hispanic women's labor force participation, employment patterns, and poverty. Next, the Federal response to these problems is evaluated and policy implications are discussed. The status of Hispanic women in the labor force is characterized by low educational attainment, occupational segregation in the least skilled jobs, low wages, and high levels of unemployment and poverty. This segregation results from the educational attainment of Hispanic women, which is the lowest of all population groups. In contrast to the training programs offered by the terminated Comprehensive Employment and Training Act, the current Job Training Partnership Act offers limited hope for improving the long-term market status of Hispanic women. The elimination of the occupational segregation of Hispanic women is dependent on Federal policies which support their training and on initiatives, such as pay equity and affirmative action, which would counter the pervasiveness of sex-based wage discrimination. Tables and bar graphs are included. (KH)

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Hispanics in the Workforce, Part II:

Hispanic Women

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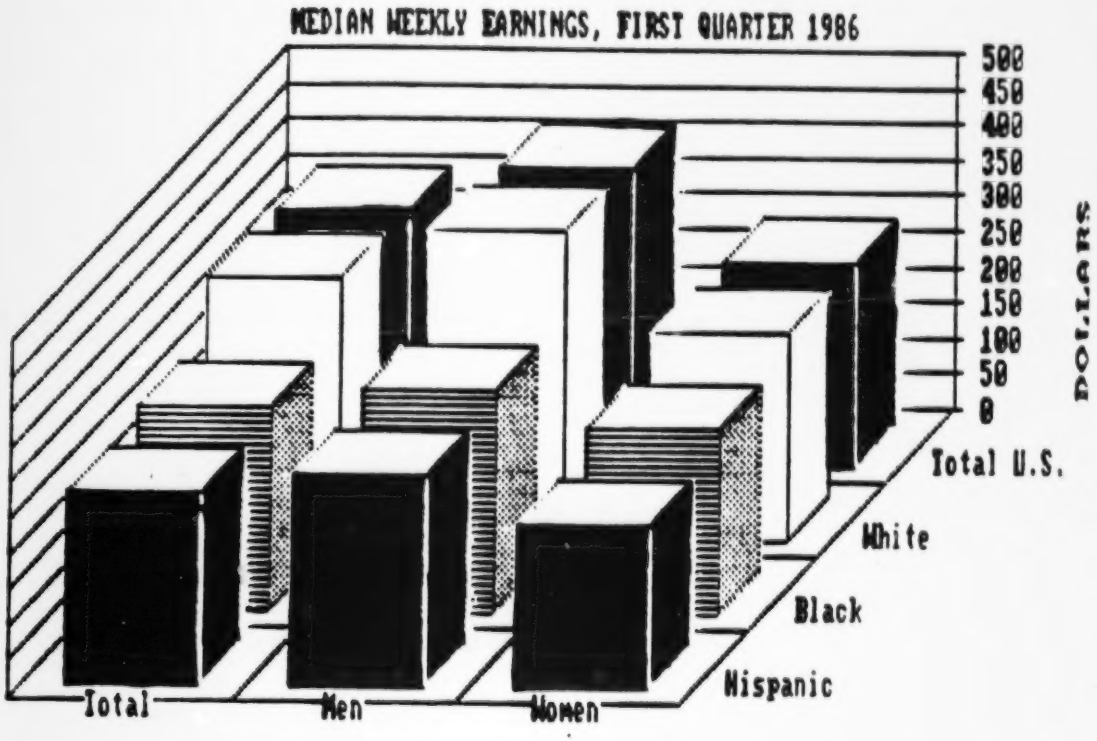

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HISPANICS IN THE WORKFORCE, PART II:

HISPANIC WOMEN

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HISPANICS IN THE WORK FORCE, PART II: HISPANIC WOMEN

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HISPANICS IN THE WORK FORCE, PART II: HISPANIC WOMEN

I. INTRODUCTION

Hispanic women in the work force occupy a marginal position in the labor market. Labor force participation rates for Hispanic women are the lowest of all women, and their median weekly earnings are the lowest of all workers in the labor market. Their low level of achievement in education has resulted in occupational segregation in low-skilled, low-paid jobs, vulnerable to high rates of unemployment. Hispanic women's low achievement in labor market variables results in a precarious economic position. The low economic status of Hispanic women, especially single heads of households, poses a serious threat to the economic well-being of the country as a whole. Since Hispanic women are younger than White or Black women and have higher population growth rates, it follows that they will form a sizeable segment of the future labor force. Hispanic women must achieve parity in educational and employment status in order to become productive members of the labor force and contribute to the economic stability of the nation.

The following paper analyzes the available data on Hispanic women in the work force. Demographic information is reviewed as background to an evaluation of the labor market status of Hispanic women. Emphasis is placed on employment and the response of the federal government to the employment and training needs of this population group. While educational status of Hispanic women is reviewed, a more comprehensive analysis of their educational needs is provided in other National Council of La Raza publications.[1]

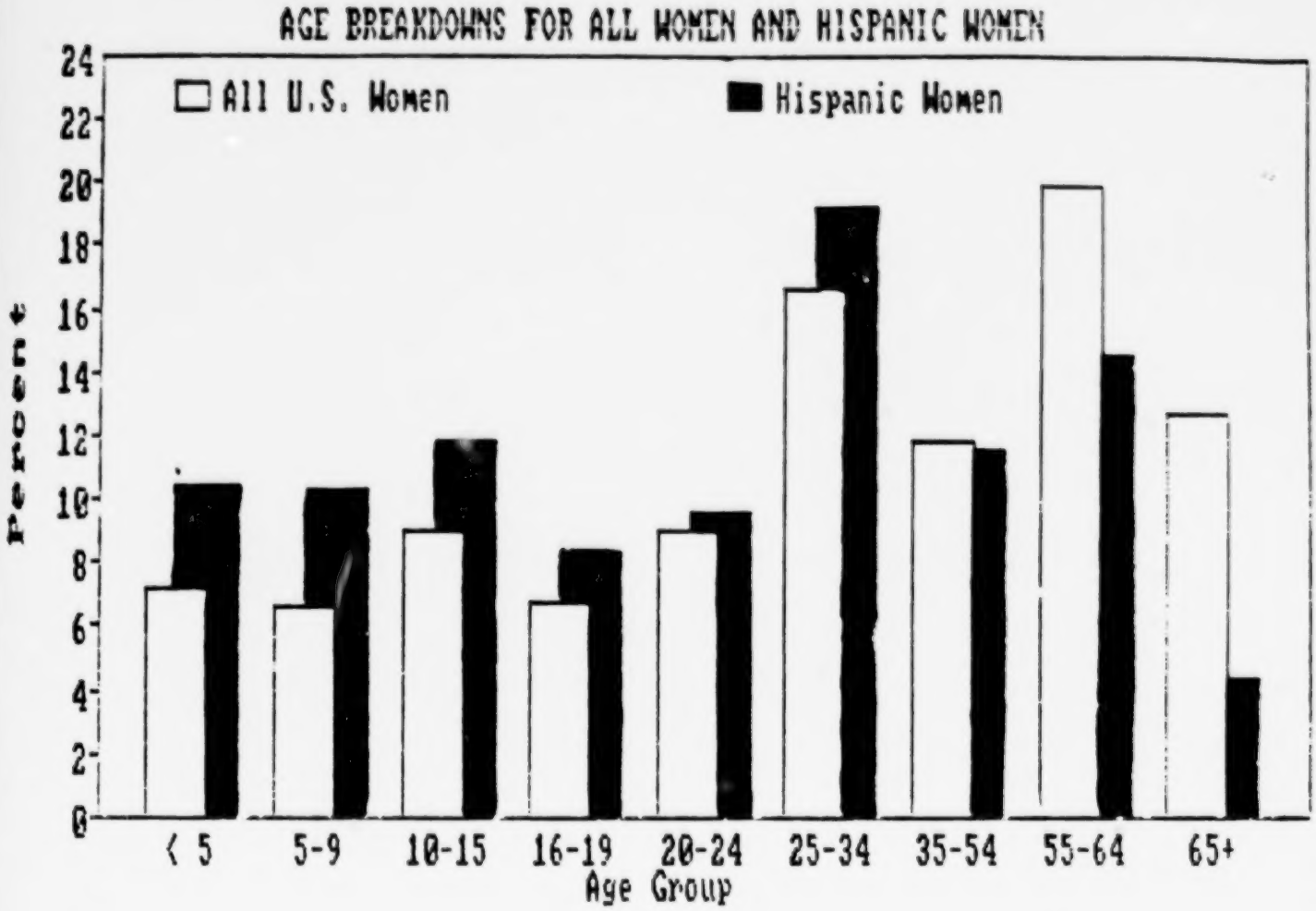
II. DEMOGRAPHICS

A. Youth

Hispanic women are younger than other U.S. women, and have higher fertility rates. Thus, they represent a growing proportion of the U.S. population. The March 1985 Current Population Survey (CPS) estimated the Hispanic population in the mainland United States at 16.9 million, or 7.2% of the total population. Hispanics register the youngest median age of any major population group, at 25.0 years, compared to 31.4 years for the overall population. Median age differences exist, however, among the major Hispanic subgroups: Mexican Americans have the youngest median age of 23.3 years, compared to 24.3 years for Puerto Ricans and 27.1 years for Central and South Americans. Cubans, with a median age of 39.1 years, are the oldest Hispanic subgroup.

Hispanic women are a young subpopulation. Their median age is 24.8 years, compared to 31.5 years for all women. Figure 1, attached, provides the age breakdowns for Hispanic females, compared to females in the overall population. The data show that 44.7% of Hispanic women are 21 years old or younger, compared to 33.2% of all women. On the other hand, only 4.4% of Hispanic women are 65 years or older, compared to 12.7% of all women. These age breakdowns show that Hispanic women are overwhelmingly concentrated in two age groups -- either they are extremely young (21 years or younger), or they are in the prime-age workers group (22 to 55 years). Very few Hispanic women are of retirement age. This age distribution is striking because it forecasts large cohorts of young Hispanic females for years to come. These Hispanic females, along with other minority females, will enter the labor market in unprecedented numbers and thus form a growing proportion of the future labor force.

FIGURE 1



SOURCE: U.S. Bureau of the Census, Current Population Reports, Series P-20, No. 396, Persons of Hispanic Origin in the United States: March 1982

B. Fertility Rates

The fertility rate of Hispanic women, though declining, is still higher than that of White or Black women. In 1984, the overall U.S. fertility rate was 65.8 births per 1,000 women 18 to 44 years old. The following chart shows that fertility rates for all groups are decreasing, but White women continue to have the lowest fertility rate, and Hispanic women the highest.

FERTILITY RATES: WOMEN 18-44 YEARS OLD
(Births per 1,000 Women)

	1980	1984
Overall	71.7	65.8
White Women	68.5	64.6
Black Women	84.0	72.2
Hispanic Women	106.5	86.1

SOURCE: U.S. Bureau of the Census, Current Population Reports, Series P-20, No. 401, Fertility of American Women: June 1984.

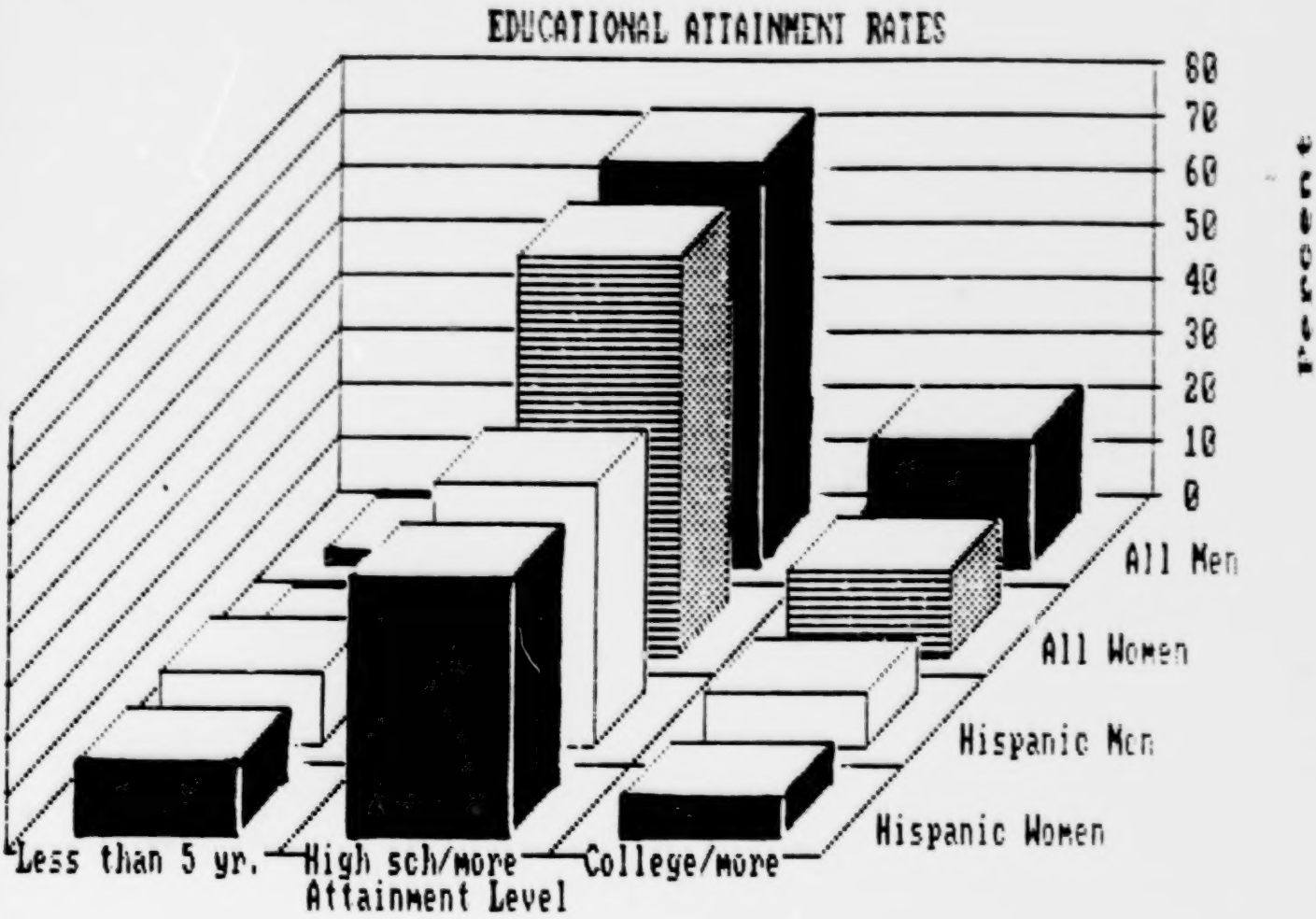
Approximately 9% of all births in June 1984 were to Hispanic women.[2] The high Hispanic fertility rate, though decreasing, is still well above "replacement" levels, guaranteeing large cohorts of children for years to come. These high rates stem partly from the higher proportion of Hispanic women of child-bearing age. In 1983, 46.7% of Hispanic women were between the ages of 20 and 34, as compared to 36.5% of all U.S. women.

C. Education

Hispanic women are entering the labor force in increasing numbers, but face major obstacles in the job market. Variables which affect labor market success include education, labor force participation, unemployment, and occupational distribution. Educational attainment, however, exerts the dominant influence on labor market success. Higher education not only raises wage rates, it also lowers the probability and duration of unemployment spells, which ultimately translate to lower earnings. Educational attainment determines occupational status, which, in turn, affects labor market success.

Hispanics as a whole are severely hindered by low levels of education. Hispanics 25 years old and over have a much lower educational attainment level than non-Hispanics; in fact, they are the least-educated workers in the labor force. In March 1985, Hispanic women had completed a median of 11.6 years of school, compared with 12.5 years for all women. Figure 2, attached, compares the educational attainment rates for men and women. A large proportion of Hispanic women 25 years old and over have completed less than five years of school -- 13.4%, compared to only 2.5% of all U.S. women. Moreover, less than half of Hispanic women 25 years old and over are high school graduates -- 47.4%, compared to 73.5% of all U.S. women. Finally, a very small number of Hispanic women have graduated from college -- only 7.3%, compared to 16.0% of all U.S. women. The educational attainment differences between Hispanic men and women are small, except that a slightly higher percentage of Hispanic men are college graduates -- 9.7% compared to 7.3% of Hispanic women.[3]

FIGURE 2



SOURCE: U.S. Bureau of the Census, Current Population Reports, March 1985, unpublished data.

Hispanic females are more likely to drop out of school than are Hispanic males, and are more likely than other groups of women to be high school dropouts. Census data from 1980 showed that by age 17, 20.9% of Hispanic females had left high school without a diploma. In 1979, of Hispanic women aged 16-24, 34.2% were high school dropouts as compared to 31.3% of Hispanic males, 12.8% of White females, and 20.0% of Black females.[4]

III. LABOR MARKET STATUS OF HISPANIC WOMEN

A. Labor Force Participation

The March 1985 Current Population Report estimated that there were 7.4 million Hispanics in the labor force. Hispanics presently account for 6.7% of the labor force and are projected to account for 8-10% by 1995. Of the 49.7 million women in the civilian labor force in 1984, 2.8 million, or 5.7%, were of Hispanic origin. The growth rates of the Hispanic community, like other minority groups, will affect the composition of the future labor force. It is not unrealistic to forecast a future labor force with a sizeable proportion of minority workers, including women. To determine the effects of such a labor force composition on the labor market, variables which measure a group's success in the labor market must be analyzed to discern patterns in employment levels, occupational trends, and earning levels.

The labor force participation rate measures the percent of those persons aged 16 and over who are either employed or actively seeking employment. The labor force participation rate for all Hispanics is very similar to that of Whites, but stark differences exist in labor force participation rates of men and women, as indicated below:

LABOR FORCE PARTICIPATION RATES
BY RACE, SEX, AND HISPANIC ORIGIN
(1985 Annual Average)

	TOTAL	MEN	WOMEN
Overall Population	64.8%	76.3%	54.5%
Whites	65.0	77.0	54.1
Blacks	62.9	70.8	56.5
Hispanic	64.6	80.4	49.4

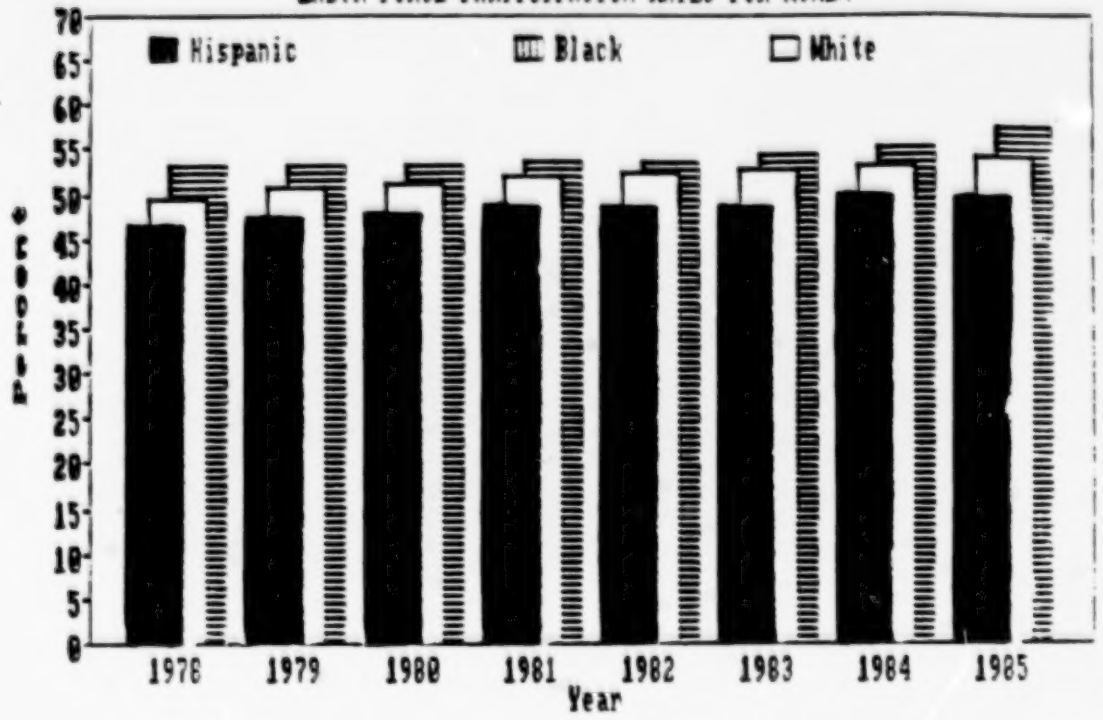
SOURCE: Bureau of Labor Statistics,
Employment and Earnings, Vol. 33,
No. 1, January 1986.

Though women have lower labor force participation rates than men, there has been an extraordinary increase in women's labor force activity since the 1970s. This pattern continued unabated until late 1979, when the nation's economy began to slow down. An average of well over a million women a year were added to the work force during the 1970s, except for the 1970-71 period. A record number of nearly two million women entered or re-entered the labor force in 1978 alone. Women accounted for over 38% of the labor force in 1970, and for more than 43% of the labor force in 1981.

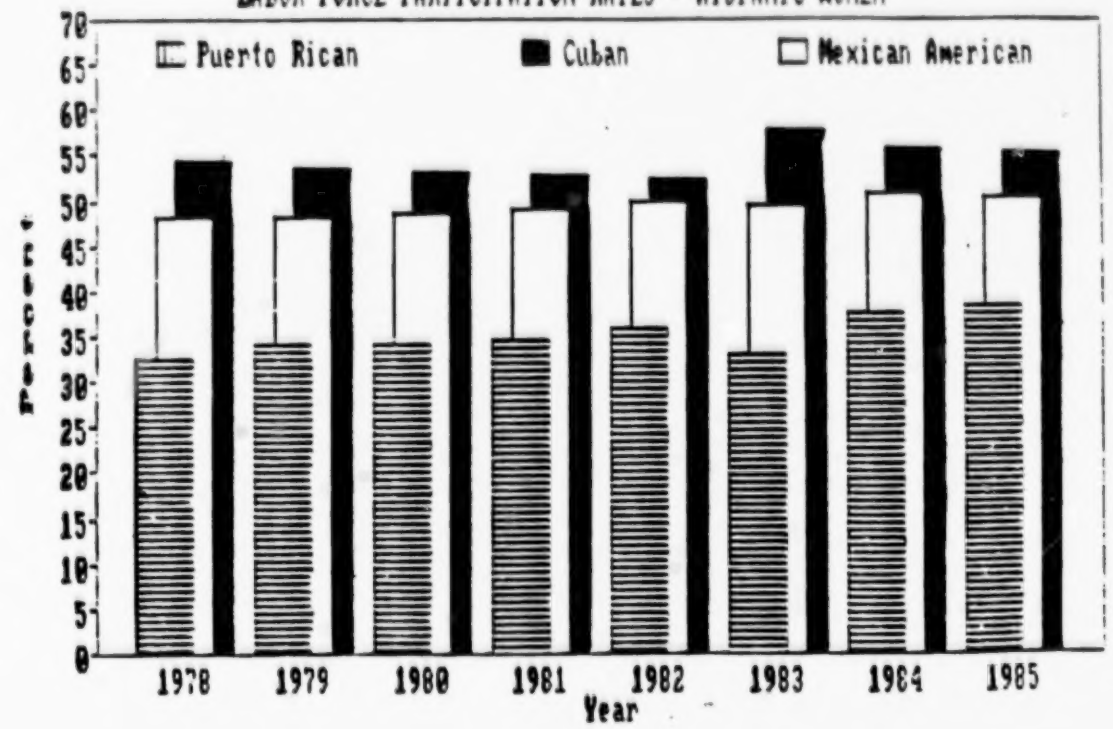
Figure 3, attached, shows the labor force participation rates for women by racial, ethnic, and Hispanic-origin subgroup. Hispanic women have the lowest

FIGURE 3

LABOR FORCE PARTICIPATION RATES FOR WOMEN



LABOR FORCE PARTICIPATION RATES - HISPANIC WOMEN



SOURCE: Bureau of Labor Statistics, "Handbook of Labor Statistics," June, 1985

labor force participation rate of any group of women, whereas Black women have the highest. However, the labor force participation rate includes both employed individuals and unemployed individuals actively looking for work. Consequently, Black women have a higher labor force participation rate partly because of a greater proportion of unemployed Black women actively looking for work. A more accurate assessment of the employment status of women is provided by the employment-to-population ratio.

B. Employment Patterns

1. Employment-to-Population Ratios

The employment-to-population ratio measures the percentage of the population that is actually employed, and over time shows the stability of this employment. The employment-to-population ratio is vulnerable to changes in levels of employment and population growth. Employment levels must keep pace with a large and growing population base if the employment-to-population ratio is to remain stable.

This ratio is key in measuring the employment levels of the growing Hispanic population. When the increase in the number of employed Hispanics is less rapid than the pace of their population growth, then their employment-topopulation ratio declines. Figure 4, attached, shows the employment-topopulation ratios for women by race, ethnicity, and Hispanic-origin subgroups. When the employment-to-population ratio and the labor force participation rate are compared, sharp differences are revealed. Whereas Black women have the highest labor force participation rate of all women, White women have the highest employment-to-population ratio. Hispanic women, on the other hand, remain at the bottom on both these measures -- they register the lowest labor force participation rates and the lowest employment-to-population ratios.

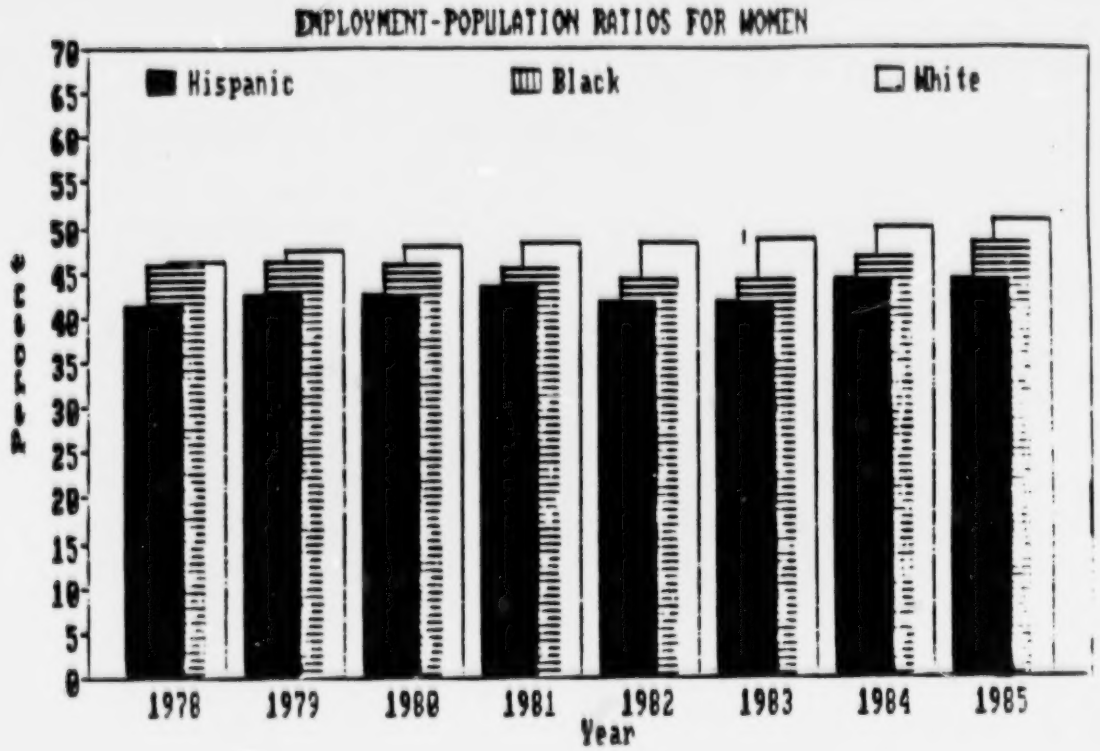
Among Hispanic women, the differences in employment levels are even starker. The employment-to-population ratio of Cuban women is the highest of all Hispanic women, and it is even higher than that of White women. Mexican American women have the second highest, and Puerto Rican women the lowest employment-to-population ratio of all major subgroups of U.S. women. These differences have existed throughout the past eight years, in times of both high and moderate unemployment. One factor affecting the employment levels of Mexican American and Puerto Rican women is their youth. They are generally younger than Cuban, Black, or White women, and their extreme youthfulness contributes to unsteady and sporadic employment patterns.

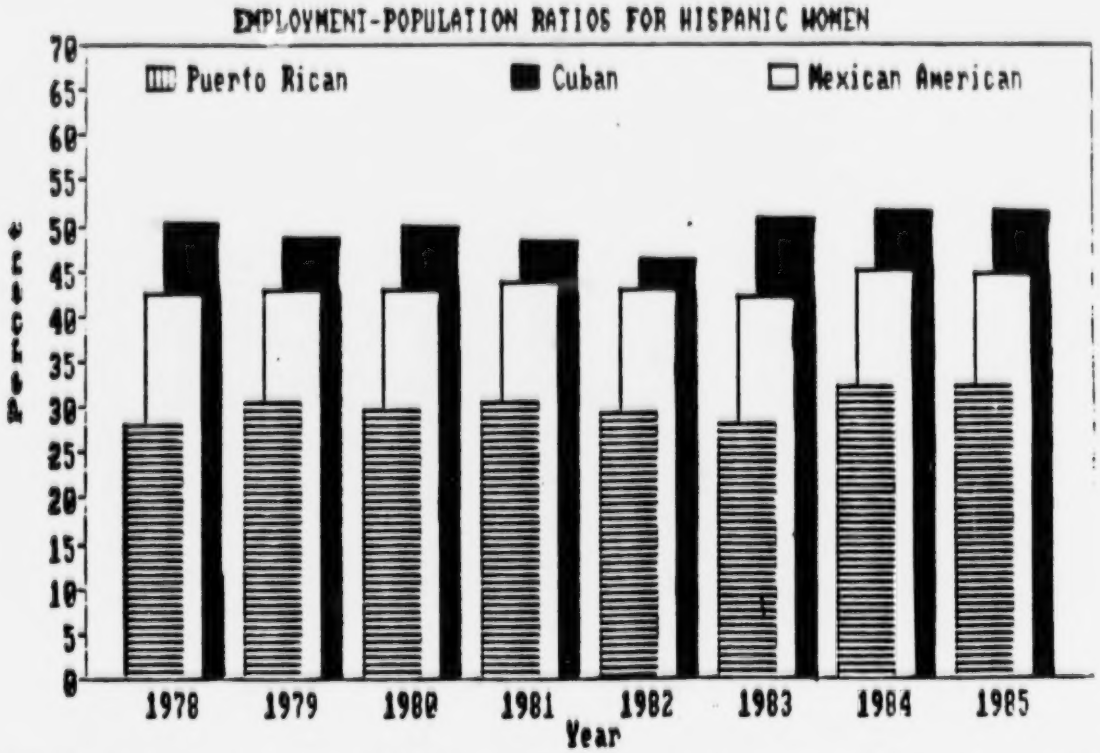
2. Occupational Distribution

In 1985, there were 6.6 million civilian workers of Hispanic origin. Employed Hispanics are concentrated in occupations that are low paid, low skilled, and experience high rates of unemployment. Compared to other workers in the labor market, Hispanic women are overrepresented in the least-skilled jobs, which also pay the lowest wages. Although the large percentage of Hispanic women employed in clerical positions is similar to the situation among women overall, their heavy concentration in operative jobs -- dressmakers, assemblers, machine operators, and similar employment -- is strikingly higher than for other women.

Figure 5, attached, compares the 1985 occupational breakdowns for Hispanics and for all employed women 16 years and over. Hispanic women are underrepresented in managerial and professional specialties -- 12.6% of employed Hispanic women have jobs

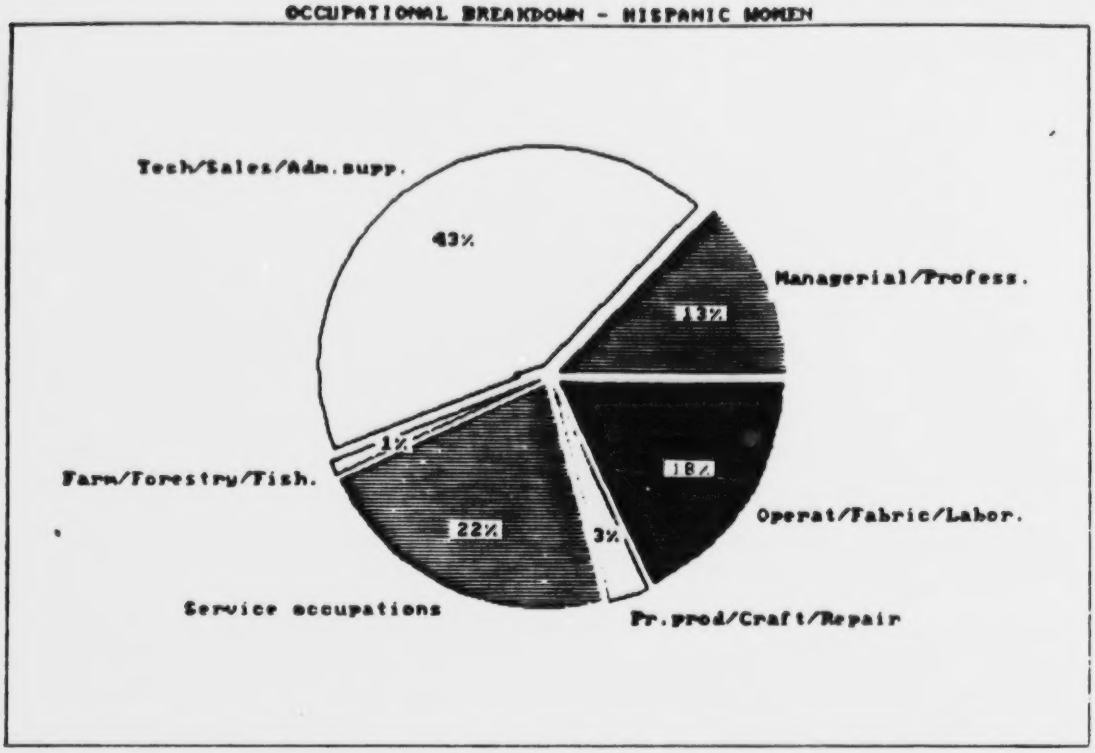
FIGURE 4

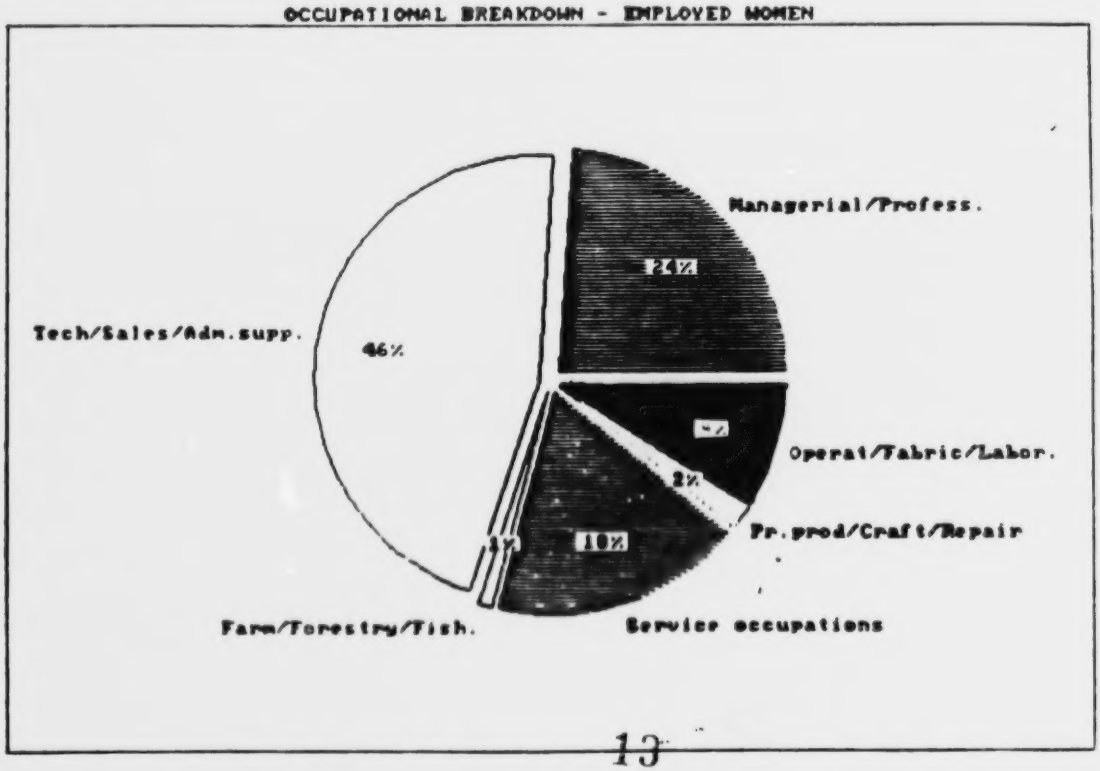




SOURCE: Bureau of Labor Statistics, Handbook on Labor Statistics, June 1985

FIGURE 5





SOURCE: U.S. Bureau of the Census, Current Population Reports, Series P-20, No. 403 Persons of Hispanic Origin in the United States (Advance Report), March 1985

In these areas, compared to 23.7% of all U.S. women. Close to half of all employed U.S. women and Hispanic women are concentrated in the technical, sales, and administrative support occupations. Hispanic women are slightly overrepresented in the service occupations -- close to one-fourth (22.3%) of employed Hispanic women have service jobs, compared to 18.1% of all U.S. women. Finally, less than one-tenth (9.1%) of all U.S. employed women hold jobs as operators, fabricators, and laborers, compared to 17.7% of employed Hispanic women. The occupational distribution of Hispanic women thus shows that they are extremely segregated as operators and fabricators; their percentage concentration is almost twice as high as that of all U.S. women.

Data from the Department of Labor indicate that the occupational distribution of Hispanic women for 1981 was significantly different from that of all White or all minority race women. For example:

- A smaller proportion of Hispanic women (9%) were employed in professional/technical occupations than the proportion of all White women (over 17%) or of all minority women (almost 16%);

- The proportion of Hispanic women in clerical jobs (32%) also was lower than the proportion of White women (36%), but was higher than that for all minority women (29%);

- A much smaller percentage of Hispanic women were in service jobs (21%) than were all minority women (30%). The proportion of White women in service occupations (about 17%) was somewhat lower than that of Hispanic women.[5]

Economists have analyzed women's occupational position in the labor market. These studies indicate that educational attainment emerges as the most important determinant of women's occupational position. The studies conclude that if one were to equalize Hispanic women and non-Hispanic White women in terms of their educational and language characteristics, as well as their demographic and residential characteristics, the occupational-status gap between Hispanic and non-Hispanic white women would be reduced by 27% for Mexican American women and 57% for Puerto Rican women, but not eliminated. These findings agree with other research which suggests that labor market discrimination may partly explain the disadvantaged occupational position of Hispanic women vis-a-vis non-Hispanic White women.[6]

3. Earnings

Hispanic workers earn the lowest wages in the labor market. Hispanic women are worst off, earning only 52% as much as White men, while Hispanic men earn 71% as much as White men. During the first quarter of 1986, the median weekly earnings by sex and ethnic origin, for individuals 25 years and over, were as follows:

MEDIAN WEEKLY EARNINGS
First Quarter, 1986

	TOTAL	MEN	WOMEN
Overall Population	$354	$419	$287
White	366	434	290
Black	288	312	263
Hispanic	269	295	229

SOURCE: Bureau of Labor Statistics, unpublished data.

Data from the Bureau of Labor Statistics show that the total Hispanic work force has been earning the lowest median weekly earnings for several years, as the following chart indicates:

MEDIAN WEEKLY EARNINGS
(1980-85)

	1980	1981	1982	1983	1984	1985
Total White	$265	$292	$307	$321	$339	$355
Men	321	353	374	397	403	417
Women	203	220	243	253	264	281
Total Black	208	236	247	257	265	277
Men	246	264	279	299	302	304
Women	184	204	214	231	242	252
Total Hispanic	207	223	242	250	256	269
Men	236	251	263	274	286	295
Women	170	188	203	209	224	229

SOURCE: Statistical Abstract of the United States, Bureau of the Census, 1986.

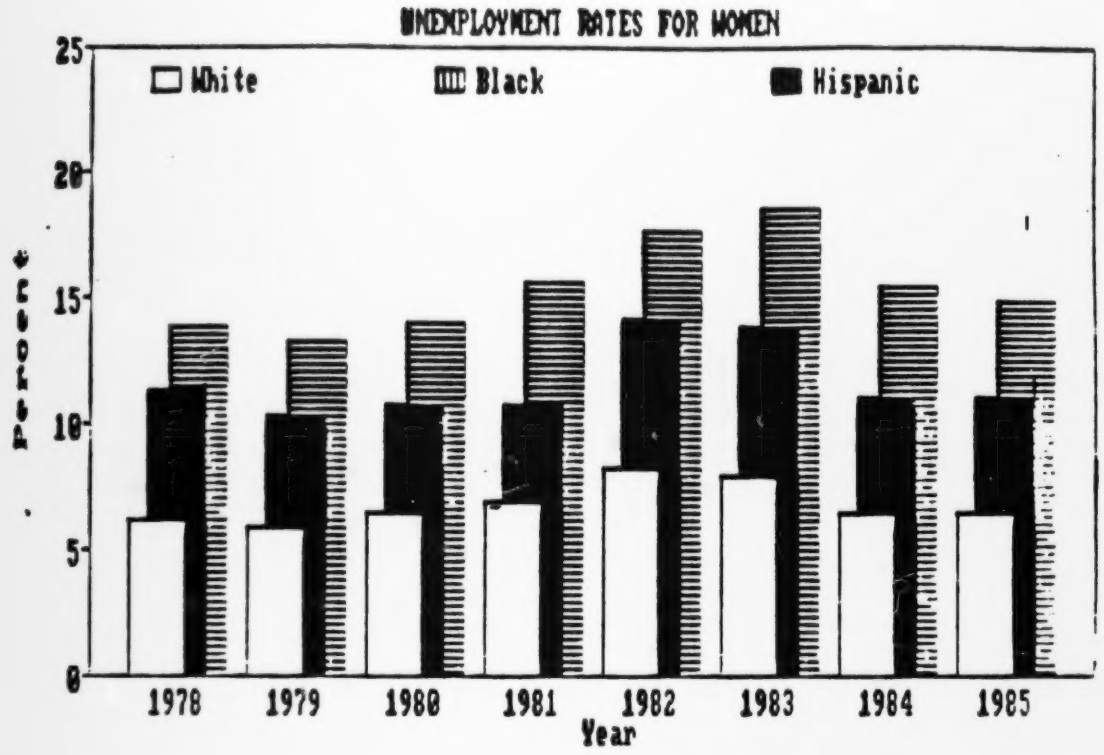
These large wage gaps are primarily attributable to such factors as levels of educational attainment, number of hours worked, opportunities for high-wage occupations, and age. Research by the National Council of La Raza found that quantifiable differences in Hispanic characteristics or experience account for much of the earnings gap. These inequalities, however, do not account for the total difference between earnings of Whites and Hispanics. La Raza's regression-based analysis evaluated the effects of the following variables on wage and salary income: age, sex, ethnicity, marital status, hours worked, occupation, employment sector (private versus public sector), and industry (which was divided into nine different categories). The results of the analysis indicate that even when all other variables are controlled -- thus assuming that Hispanics are equally educated, trained, work the same number of hours, etc. -- ethnicity alone appears to account for 14% of the wage differences between White and Hispanic males and 29% of the total difference in earning power between White males and Hispanic females.[7]

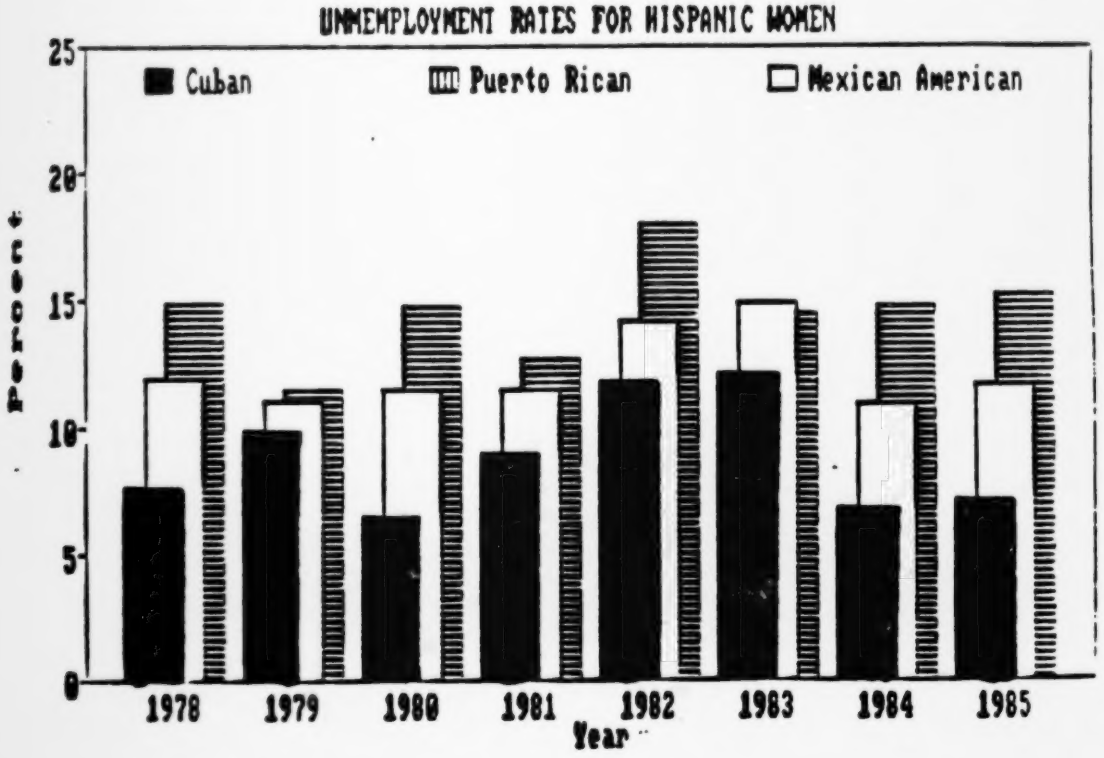
4. Unemployment

During both good and bad economic times, unemployment among Hispanics is usually 60% higher than that of White Americans. The unemployment pattern of Hispanic women is similar to that of Hispanic men -- their unemployment rate is higher than that of Whites, but lower than that of Blacks.

Figure 6, attached, shows that since 1978, both Hispanic and Black women have experienced double-digit unemployment rates. Among women of different Hispanic subgroups, Puerto Rican women have the highest unemployment rate -- in 1985, their unemployment rate was slightly higher than that of Black women -- and Mexican American women have the second highest unemployment rate. Both these groups of Hispanic women have registered double-digit unemployment rates since 1978. Cuban women, however, registered a double-digit unemployment rate only in 1982 and 1983, due to the severe 1982 recession. Otherwise, the unemployment rate of Cuban women has remained single-digit, and in 1985, it was slightly lower than the overall unemployment rate for women in the United States.

FIGURE 6





SOURCE: Bureau of Labor Statistics, Handbook on Labor Statistics, June 1985

Unemployment among Hispanic subgroups reveals distinct patterns. Mexican American and Puerto Rican women experience unemployment levels similar to those of Black women. With the exception of the years 1982-83, Cuban women have experienced an unemployment level similar to that of White women, though White women have never experienced double-digit unemployment, not even at the height of the 1982-83 recession. Among the probable reasons for the severe joblessness of Mexican American and Puerto Rican women are their low educational attainment and their youth; younger populations tend to have higher rates of unemployment than those with a larger proportion of prime-age workers. Cuban women are better educated and older than Mexican American or Puerto Rican women, hence their unemployment rates are lower.

C. Poverty

The low educational attainment rates of Hispanic women help to determine their occupational distribution, earnings levels, and incidence of unemployment. The low levels of achievement in these labor market variables have contributed to a high incidence of poverty among Hispanic women. The March 1985 Current Population Report found that 25% of Hispanic families were below the poverty level. Stark differences, however, are found among the Hispanic subgroups, as shown below; Puerto Rican families had an unemployment rate 75% higher than the rate for Mexican American and Central and South American families, while Cubans had a poverty rate only half as high as these two subgroups.

PERCENT OF FAMILIES BELOW
THE POVERTY LEVEL, BY HISPANIC SUBGROUP
(March 1985)

All Hispanics	25%
Mexican American	24
Puerto Rican	42
Cuban	13
Central and South American	24

A key variable which affects the incidence of poverty is the number of families headed by women. Minority families with female heads of household are especially vulnerable to poverty. In 1984, about 810,000 Hispanic-origin families (23%) were maintained by women, compared to 16% of all U.S. families. More than half (54%) of these families had incomes in 1983 which placed them below the U.S. poverty level, compared to 36% of all families maintained by women. The March 1985 Current Population Report showed the following incidence of families maintained by women among the Hispanic subgroups; again, the poverty rate was highest among Puerto Ricans and lowest among Cuban families headed by women.

PERCENT OF FAMILIES
MAINTAINED BY WOMEN
(March 1985)

Total Population	16.0%
Total Hispanic	23.0
Mexican American	18.6
Puerto Rican	44.0
Cuban	16.0
Central and South American	21.9

The poverty experienced by Hispanic families maintained by women has had a severe impact on children. For example, in 1984, 71.0% of Hispanic children in female-headed families were poor, compared to 66.1% of Black children, and 39.7% of White children from female-headed families.[8] The Hispanic children most affected were Puerto Rican children, who were twice as likely to be poor as Cubans and almost 40% more likely to be poor than Mexican American children (52.2% versus 26.2% and 37.0%, respectively). The following figure shows that while Puerto Rican children accounted for just under 15% of all Hispanic children in 1983, they represented more than 20% of the poor Hispanic children.

COMPOSITION OF TOTAL AND POOR HISPANIC CHILDREN
BY HISPANIC ORIGIN SUBGROUP
(1983)

HISPANIC ORIGIN SUBGROUP	POOR CHILDREN	ALL CHILDREN	POVERTY RATE
Total Hispanic			
Numbers (in thousands)	2,160	5,651	
Percent	100.0%	100.0%	38.2%
Mexican American			
Numbers (in thousands)	1,431	3,858	
Percent	66.3	68.3	37.0
Puerto Rican			
Numbers (in thousands)	437	838	
Percent	20.2	14.8	52.2
Cuban			
Numbers (in thousands)	45	173	
Percent	2.1	3.1	26.0

SOURCE: "Hispanic Children in Poverty," Congressional Research Service, Report No. 85-170, EPW, September 1985.

Due to fewer hours worked and lower wages earned, households headed by women have lower median incomes than male-headed households, and Hispanic female-headed households have the lowest median income of any major population, as shown below:

MEDIAN INCOME BY TYPE OF HOUSEHOLD HEAD
(1983)

	ALL HOUSEHOLDS	HOUSEHOLDS HEADED BY FEMALES
All Races	$20,885	$12,239
White	21,902	14,353
Black	12,429	8,190
Hispanic	15,906	8,005

SOURCE: Statistical Abstract of the United States, Bureau of the Census, 1986.

D. Conclusions

Low educational attainment rates, occupational segregation in the least-skilled jobs, low wages, and high levels of unemployment and poverty characterize the peripheral labor market status of Hispanic women. All these factors are interrelated; however, educational achievement exerts the dominant influence on the success or failure of individuals in the labor market. In this regard, Hispanic women workers have the lowest levels of education, and thus their labor market status is the lowest of all workers.

A young, growing, but untrained and unemployed or underemployed segment of the labor force has serious, national implications. These include the increased drainage of public funds for income assistance to unemployed individuals, and a diminishing of the tax base necessary for the fiscal stability of many domestic programs such as Social Security, which relies on the withholding of funds of current workers for the support of current retirees. The federal education and employment and training systems must be able to train the labor market supply to meet changing labor market demands. In the future, this will mean a need for improved and expanded education and training opportunities for Hispanic women, to better develop their human resource potential.

IV. THE FEDERAL RESPONSE

A. Introduction

Federal employment and training policies must effectively address the needs of severely disadvantaged workers. In this respect, Hispanic women score low marks on labor market indicators. They have the lowest labor force participation rates, the lowest employment-to-population ratios, and the lowest median weekly earnings of any major subpopulation. Furthermore, Hispanic women are segregated in occupations which are low-skilled, poorly-paid, and vulnerable to extremely high rates of unemployment.

A key factor which influences the success or failure of individuals in the labor force is education. Many Hispanic women have not completed high school. Consequently, basic education and job preparation are training activities of great benefit to Hispanic women. Under The Comprehensive Employment and Training Act, basic classroom training, courses in English as a Second Language and courses toward the completion of the General Educational Development (GED) certificate were available and widely implemented. JTPA, which has minimal funding and is performance-driven, de-emphasizes such longer-term classroom training, which has traditionally enrolled twice as many women as men.

The training programs offered by the Comprehensive Employment and Training Act (CETA), which lasted a decade and was the first major attempt at a coordinated federal employment and training policy, provide a useful focus for analysis of past federal program responses to the needs of Hispanic women.

B. Participation of Women in CETA Training Programs

Participation rates in CETA can be analyzed to determine the "training track" of all women, especially Hispanic women. This analysis provides information on the types of training services received by Hispanic women, which are determined to a great extent by the enrollees' occupational preferences. Women enrollees make occupational preferences that are not necessarily in their best financial long-term interest. The data from CETA Fiscal Years 1976-79 show that Hispanic women, like all women, were overrepresented in classroom training and work experience.

Over one-third of all CETA enrollees entered Title I, which was one of the largest CETA titles and offered a varied selection of services such as classroom training, on-the-job training (OJT), work experience, and small components of summer youth programs and public service employment (PSE). A study by the National Commission for Employment Policy found that, under CETA, both male and female Hispanics were substantially more likely than Blacks or Whites to enter basic education, job training, and work experience activities (Title I); less likely than Whites to get a public service employment (PSE) assignment (Titles II and VI); and somewhat less likely than Blacks to get a summer youth program assignment (Title III).[9] All female Title I participants were overwhelmingly concentrated in two training activities -- classroom training and work experience. Compared to Black or White women, a slightly higher percentage of Hispanic women were enrolled in these two training activities, as shown in the following table:

TITLE I PARTICIPANTS BY CETA ACTIVITY,
SEX, RACE, AND HISPANIC ORIGIN
(Fiscal Years 1976-79)

ACTIVITY	TOTAL PARTICIPANTS	TOTAL MEN	TOTAL WOMEN	WHITE WOMEN	BLACK WOMEN	HISPANIC WOMEN
Classroom training	35.2%	29.9%	40.7%	38.9%	41.9%	45.3%
On-the-job training	15.3	19.7	10.8	13.5	7.5	8.8
Work experience	40.4	39.4	41.5	40.5	42.4	43.1
Summer youth program	6.5	8.0	5.0	4.6	6.7	2.0
Public service employment	2.5	3.0	2.0	2.6	1.6	0.8
Total	99.9	100.0	100.0	100.1	100.1	99.9

SOURCE: "Hispanics and CETA: Issues of Access, Distribution, and Equity," National Commission for Employment Policy, WD-1410-NCEP, April 1982.

With regard to types of services received, over 80% of all Title I female participants were enrolled in classroom training and work experience, compared to 69.3% of all male Title I participants. Classroom training and work experience are two training components which do not result in immediate job placement, whereas on-the-job training (OJT), the summer youth program (SYE), and public service employment (PSE) do. Nearly one-third (30.7%) of all Title I male participants were enrolled in OJT, SYE, and PSE, compared to about one-sixth (17.8%) of all Title I female participants. Hispanic women had the lowest enrollment rates in Title I job placement activities -- 11.6%, compared to 15.8% for Black women and 20.7% for White women.

One reason women were concentrated in CETA classroom training to a greater degree than men is that their occupational preferences are easily taught in a classroom setting. Some research studies suggest that women who want job training end up in classrooms more often than men with the same preferences, probably because women heavily prefer and get assigned to occupations (such as clerical) that are usually taught in the classroom. Higher-paid, traditionally male occupations have made greater use of apprenticeships and OJT than the lower-paid traditionally female occupations.

Occupational opportunities under CETA were divided into high-wage and low-wage occupations; 71% of CETA's occupational opportunities were concentrated in the low-wage occupations, and just 25% in the high-wage occupations. Work experience was the training activity with the highest percentage of low-wage occupational openings. One low-wage occupational category is clerical work. The Continuous Longitudinal Manpower Survey (CLMS) shows that during Fiscal Years 1976-79, a majority of women participants in CETA (53.9%) preferred clerical training. Data on enrollees' occupational preferences come from questions on the CLMS about the respondent's preferred CETA service. The survey findings show that 64.6% of Hispanic women preferred clerical occupations, compared to 50.7% of Black women and 53.9% of White women.10

While it is not surprising that women make these traditional occupational selections for which they have an abundance of role models, it is not necessarily in their best financial interest. About 80% of female preferences fell into the low-wage categories. Though CETA women were apt to prefer economically less secure occupations than CETA men, they were also more apt to prefer occupations with a noticeably higher social status. Consequently, although CETA women overwhelmingly preferred clerical jobs, which are low-level, low-paid, white-collar occupations, CETA women considered these occupations "nice" jobs (with respect to cleanliness and safety of the work environment) and therefore of some social status.[11]

C. Participation of Women in the Job Training Partnership Act

1. Distribution of Women as Enrollees in Classroom Training and Work Experience

The Job Training Partnership Act (JTPA) replaced CETA in 1983 as the nation's major employment and training legislation. JTPA reflects the "New Federalism" approach -- it has diminished the federal role, and increased the state's role in the delivery of federal employment and training services. However, JTPA has also brought about other major changes, most notably (1) an emphasis on training and quick placement rather than income maintenance; (2) a performance-driven system; (3) minimal funding -- JTPA is funded at one-third the level of CETA; (4) restrictions on support services; (5) prohibition of stipends and public service employment; and (6) an increased policy role for the private sector.

The restrictions imposed by JTPA have resulted in changes in the length and types of employment programs offered. A recent General Accounting Office (GAO) report states that both service delivery area (SDA) administrators and Private Industry Council (PIC) representatives feel that they must offer training programs that are shorter than they should be because of JTPA's participant support limitations. Many SDA administrators reported that they have reduced the length of classroom training from six to three months because many participants could not afford to attend for the longer period.[12]

The GAO report also found that under JTPA, participation in on-the-job training (OJT) has increased, whereas participation in work experience has decreased. The most common reason cited for using more OJT was that this type of training is more likely to result in employment. The GAO study notes that between CETA Fiscal Year 1982 and JTPA Transitional Year 1984, occupational classroom training experienced a 16% decrease, other classroom training experienced a 64% decrease, work experience experienced a 66% decrease, and OJT experienced a 214% increase.[13]

The distribution of women CETA enrollees among the classroom training and work experience training components has been continued under JTPA. JTPA's emphasis on quick placement in unsubsidized employment has encouraged service delivery area (SDA) administrators and private industry council (PIC) representatives to offer more OJT, which is predominantly male, rather than classroom training and work experience, which is predominantly female.

Despite a decrease in work experience and classroom training, JTPA has not affected the traditional participation of women as the majority of work experience and classroom training enrollees, and men as the majority of on-the-job training enrollees, as the following figure illustrates:

DISTRIBUTION OF JTPA TITLE II-A ENROLLEES
July 1984 - June 1985

ACTIVITY	MEN	WOMEN
Classroom training	35%	65%
Work experience	48	52
On-the-job training	58	42

SOURCE: Job Training Longitudinal Survey, Department of Labor, Table AA-2, Nov. 1985.

The emphasis on OJT could help explain the slightly greater overall male participation in JTPA. The Job Training Longitudinal Survey shows that males are somewhat overrepresented in JTPA relative to their numbers in the eligible population. According to the March 1984 Current Population Survey, 44% of the nation's male population and 56% of the nation's female population were eligible for JTPA services. However, during Program Year 1984, 48% of enrollees were male and 52% of enrollees were female.[14]

The concentration of women in classroom training and work experience programs has been reinforced by JTPA's elimination of stipends. Whereas OJT provides an immediate source of income for the period of training, classroom training does not. Recipients of Aid to Families with Dependent Children (AFDC), who are mostly women, have a supplementary source of income. Thus, SDA administrators enthusiastically recruit AFDC recipients because of this independent source of income and support services. Consequently, women are more likely to be willing to enroll in classroom training, which does not provide stipends, than men, who are less likely to have the income needed to allow them to invest 12-16 weeks in classroom training.

OJT is more likely than other training activities to result in unsubsidized employment at the end of the training period. Placement rates are traditionally higher for those trained on-the-job than in the classroom — under JTPA, OJT has had a 78% placement rate, compared to 57% for classroom training.[15] This is a strong inducement for SDA administrators and PIC representatives, who are pressured to meet placement and performance standards.

Women are predominantly enrolled in classroom training and work experience largely because training for traditional female occupations is readily provided by these programs. Men are concentrated in OJT because employers with traditionally male occupations have made greater use of OJT. Furthermore, some nontraditional occupational training has educational prerequisites imposed by some JTPA training plans, which require that applicants perform at the eighth-grade level. These requirements may prevent many disadvantaged women with low educational achievement from participating in nontraditional training, which provides access to higher-paid occupations. Women also face another barrier to full participation in JTPA employment and training programs. The decreasing amount of support services, such as child care and transportation, has disproportionately affected disadvantaged women, especially those not on AFDC, who need these services in order to attend training sessions.

2. JTPA Limit on Support Services

An analysis of the JTPA legislation reveals dichotomous philosophies. On the one hand, there is the Congressionally stated intent of JTPA to serve the economically disadvantaged. On the other hand, this intent is undermined by the elimination of training stipends and by limited support services. Support services as defined by JTPA include "transportation, health care, special services and materials for the handicapped, child care, meals, temporary shelter, financial counseling, and other reasonable expenses required for participation in the training program" [See, JTPA, Sec. 4 (24)]. These support services are viewed as access mechanisms for the economically disadvantaged, especially women, because they are the most likely to require services such as child care and transportation costs in order to attend training sessions. Furthermore, certain counseling services are very important for displaced homemakers and other women with either a low self-esteem or little knowledge of the labor market. Since support services have been eliminated or financially restricted, it is now more difficult to serve the intended beneficiaries of JTPA.

Though the JTPA legislation allows 15% of funds to be expended on support services, independent studies have shown that sample SDAs are averaging less than the 15% allocation.16 The fact that JTPA allows only a combined 30% of funds to be spent on administrative and support services has resulted in a disincentive to provide substantial levels of support services. SDAs surveyed in a recent study were averaging over 15% on administrative costs and less than 15% on support services costs.17

The 15% cap on support services may be waived if certain conditions are met and the waiver is requested from the state by the PIC. This assumes, however, that the PIC will be sensitive to the needs of the disadvantaged and will want to extend greater services to those who might benefit most from training, but who also can least afford the extra costs of child care or transportation. If a waiver is granted, the SDA must still meet national performance standards. SDAs may be denied waivers because of their inability to meet performance standards due to the characteristics of the specific population they intend to serve through additional support services.

A recent GAO study found that very few SDAs were requesting waivers of the support limitations -- 6% of the 544 SDAs surveyed requested a waiver for Program Year 1984. The study found that SDAs receiving waivers spent about 12% of their Title II-A budget on participant support in the transition year; those not requesting or receiving waivers averaged about 7%. About two-thirds of the SDAs that received waivers offered needs-based payments in the transition year; the typical weekly payment at these SDAs averaged about $44. Of the SDAs that did not request or receive waivers, more than one-third offered needs-based payments, and the typical weekly payment at these SDAs averaged about $34. 18

D. Conclusion

The concentration of women in JTPA classroom training and work experience, and in training for traditional occupations such as clerical work and health care, is a continuation of the practices of previous federal employment and training programs. This "training track" has had an adverse impact on women's occupational distribution in the labor market -- including their overrepresentation in jobs which are vulnerable to high rates of unemployment.

Due to JTPA's minimal funding and quick placement emphasis, longer-duration programs such as classroom training and work experience have been sharply reduced. JTPA's minimal funding has also resulted in a significant decrease in support services, which are needed to provide the economically disadvantaged with access to employment and training services. As a result, JTPA as presently constituted offers limited hope for improving the long-term labor market status of Hispanic women.

V. POLICY IMPLICATIONS

A. Overview

The composition of the U.S. work force has undergone various changes in the past decade, among the most important of which is the unprecedented number of women entering the labor market. Women in the work force are characterized by segregation in low-skilled, low-paying jobs. This occupational distribution is reinforced by the traditional occupational training received by women enrollees in federal employment and training programs. The lack of economic parity is a grave problem for all women; this problem, however, takes on critical dimensions for minority women, especially Hispanic women.

Hispanic women occupy a peripheral position in the labor market. Their low standing is due to low levels of achievement in variables which determine labor market success. Hispanic women are the least-educated workers in the labor force. Their labor force participation rate, though growing, is the lowest of all women; however, since Hispanic women are younger and have higher growth rates than other groups of women, it is very likely that their attachment to the labor force will increase in future years.

Demographic realities and shifts in working patterns forecast further changes in the composition of the labor force. Minorities and women will form a sizeable proportion of the future labor force, and women already account for a large share of the labor force growth. Projections by the Census Bureau indicate that by 1992 there will be only three workers to provide Social Security funds for each retiree, compared to 17 in 1950; one of the three will be a member of a minority group.

Hispanic women form a potential pool of workers for the future. However, Hispanic women are hindered by serious deficiencies in education, employment, and economic resources. A large but untrained population segment will have negative national repercussions, while a well-trained labor force will result in dual societal benefits -- increased revenues for the Social Security system and other domestic programs and decreased expenditures for public assistance programs, as well as positive effects on the individuals and their families.

B. Education

Education is the single variable which has the most impact on labor market success. Labor market regression-based studies show that equalizing educational disparities among various population groups will result in a sizeable contraction in gaps in earnings and employment levels. These studies show that education is a human capital characteristic to which the labor market favorably responds. This "human capital" theory hypothesizes that the lower occupational placement of Hispanic-origin women reflects their smaller stock of the human resources, such as education, which ensure labor market success.

As the least-educated major subpopulation in the labor market, Hispanic women are vulnerable to restrictive federal policies in education and employment and training. For example, an attempt to eliminate bilingual education programs will negatively affect language-minority children, especially young Hispanic girls, who are more likely than White or Black girls to drop out of school at an early age. The minimal federal support that adult literacy programs currently receive also

negatively affects Hispanic women, a significant proportion of whom have completed less than five years of school. According to one national study, about 56% of adult Hispanics are functionally illiterate (compared to 44% of Black adults and 16% of White adults), which illustrates the need for increased and effective adult literacy programs, with particular emphasis on language-minority individuals.

In the past, the federal employment and training system has helped remedy failures of the educational system by offering education programs such as basic classroom training, remedial education, courses in English as a Second Language, and courses toward completion of the General Educational Development (GED) certificate. These training activities, however, have been de-emphasized under JTPA for several reasons. JTPA's minimal funding discourages long-term training programs, which are expensive. Furthermore, the JTPA performance standards emphasize low-cost, short-term training programs, rather than long-term classroom training, which has traditionally enrolled twice as many women as men. OJT, which enrolls more men than women and results in immediate placement in unsubsidized employment, is far more attractive to SDA administrators and PIC representatives.

Independent studies of JTPA have noted the decrease in classroom training. In addition, because little JTPA funding is provided for remedial education, the opportunities for disadvantaged and low-skilled women to participate in training for higher-paying jobs are greatly reduced. Basic educational classroom training is crucial for developing long-term job skills, upgrading occupational credentials, and providing the basic foundation for long-term employability.

C. Occupational Segregation

Women of Hispanic origin are employed as operators, fabricators, and laborers and in service and precision, production, craft, and repair occupations to a greater extent than all women workers. Although Hispanic women are employed in clerical positions at about the same high frequency as all women, their large proportion in operative jobs -- as dressmakers, assemblers, and machine operators -- is strikingly dissimilar to the employment pattern of women workers as a group. Younger Hispanic women are narrowing the education gap and entering managerial and professional jobs. Still, the proportion of Hispanic women in high-skill white-collar jobs is minimal.

Training in nontraditional jobs is needed to break down this occupational segregation. The federal employment and training system must provide women, especially minority women, pre-enrollment counseling regarding nontraditional training opportunities and benefits. This is possible, however, only if strongly encouraged by the state and SDA and PIC representatives. Most nontraditional JTPA training is provided through on-the-job training (OJT). OJT, however, has traditionally enrolled more men than women because many of its apprenticeships are in male-dominated occupations, which are also highly-paid. Thus, women must be counseled as to occupational training options of greater financial benefit to them, and employers must be urged to recruit and accept them.

Another barrier to training in nontraditional careers is the educational prerequisites imposed by some JTPA training plans, which require that applicants be able to perform at the eighth-grade level. Most disadvantaged women perform at about the fifth or sixth-grade level. This problem should be remedied through increasing basic and remedial education available under JTPA, which requires changes in performance standards and other guidelines to encourage such services.

D. Earnings

On average, women earn less than two-thirds as much as men, and of all women, Hispanic women earn the lowest wages. Among the reasons for the earnings differential are that women enter and leave the labor force more frequently than men, which results in their having less work experience; overall, women's educational attainment and skills training are not equal to men's; and women and men are concentrated in different occupations with lower pay scales. Research studies have explored why the earnings difference persists even though the educational gap between men and women is shrinking and more women than ever are employed full-time and year-round. After all measurable variables have been included in equations on the earnings difference between men and women (variables such as education, experience, labor force interruptions, age, occupational sector), there remains a disparity that cannot readily be explained. This variance is attributed to unmeasured factors such as discrimination, personal attitudes, and quality of education. Using year-round, full-time workers as the basis for comparison, a woman at least 25 years old in 1983, with four or more years of college education, earned only 64% as much as a man in similar circumstances.[19]

Since labor market studies attribute part of the earnings gap between men and women to discrimination, policy initiatives must be implemented to combat sex-based wage discrimination. The wage gap between men and women is one of the most persistent symptoms of sexual inequality in the United States. For certain groups of disadvantaged women, such as Hispanic women, the inequality is of grave proportions and contributes to poverty among children and families, with long-term negative societal impact. Policy initiatives such as pay equity and affirmative action are essential to address this problem. Affirmative action and civil rights enforcement are essential to eliminate unfair employment practices. Pay equity will attack the problem of sex-based wage discrimination by mandating that jobs characterized by similar levels of skill, effort, responsibility, and working conditions be compensated at similar wage levels regardless of the sex or race of the workers holding the job. Only through such efforts, as well as improved educational, employment and training opportunities can Hispanic women hope to achieve equal opportunity in employment and earnings. Such actions, moreover, are a necessary investment in human capital, since minority and especially Hispanic women are a growing segment of the nation's work force.

ENDNOTES

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19. U.S. Department of Labor, Women's Bureau, Fact Sheet No. 85-7.